

## CHECKLIST ENVIRONMENTAL ASSESSMENT

<b>Project Name:</b>	Alkali Creek Commercial Option to Lease
<b>Proposed Implementation Date:</b>	Summer 2016
<b>Proponent:</b>	MTSun, LLC
<b>Location:</b>	Sections 8 & 10, Township 1 North, Range 25 East (Common Schools)
<b>County:</b>	Yellowstone

### I. TYPE AND PURPOSE OF ACTION

The proponent, MTSun LLC, responded to a Request for Proposals (RFP) issued by the DNRC Real Estate Management Bureau for a commercial lease on portions of Sections 8 and 10, Township 1 North, Range 25 East in Yellowstone County. As part of their RFP response, MTSun LLC has requested to enter into an Option to Lease Agreement with the State for a two year period. During the Option period, the proponent would have the ability to access the Trust land in order to gather baseline data in the following areas: land use, cultural resources, wildlife, soils, vegetation, wetlands, hydrology/topography/geology, geotechnical and land surveying and would also have exclusive rights for a commercial lease on the subject sections. The data gathered will be used to assist in the identification of a suitable location for a potential utility-scale solar energy development on approximately 450 acres on the two sections listed above and to avoid any critical or significant resources identified in this current data gathering request.

### II. PROJECT DEVELOPMENT

#### 1. PUBLIC INVOLVEMENT, AGENCIES, GROUPS OR INDIVIDUALS CONTACTED:

*Provide a brief chronology of the scoping and ongoing involvement for this project.*

No formal public scoping was performed by DNRC for this proposed action. The state grazing lessee met with the Southern Land Office Land Use Planner and Land Use Specialist on 22 June 2016. The purpose of this meeting was to share the potential project with the lessee and explain the commercial lease process and potential impacts to the grazing lease. In addition, the DNRC did publish a legal notice in the Billings Gazette on 20 and 27 March 2016 to notify the public of the availability of the commercial lease RFP.

#### 2. OTHER GOVERNMENTAL AGENCIES WITH JURISDICTION, LIST OF PERMITS NEEDED:

None

#### 3. ALTERNATIVES CONSIDERED:

**Proposed Alternative:** Approve the request to sign an Option to Lease Agreement for a commercial lease on Sections 8 and 10-1N-25E.

**No Action Alternative:** Deny the request to sign an Option to Lease Agreement for a commercial lease.

### III. IMPACTS ON THE PHYSICAL ENVIRONMENT

- *RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.*
- *Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.*
- *Enter "NONE" if no impacts are identified or the resource is not present.*

#### **4. GEOLOGY AND SOIL QUALITY, STABILITY AND MOISTURE:**

*Consider the presence of fragile, compactable or unstable soils. Identify unusual geologic features. Specify any special reclamation considerations. Identify any cumulative impacts to soils.*

All permitted motorized travel will be limited to established roads during dry or frozen conditions or approved off-road locations. Foot travel to the remainder of the property would be permitted. The proponent would also be allowed to conduct geotechnical investigation, which could require borings on the parcels. The proponent would be required to reclaim any disturbed areas. Minimal soil disturbance would occur as a result these activities; therefore no significant impacts are expected.

#### **5. WATER QUALITY, QUANTITY AND DISTRIBUTION:**

*Identify important surface or groundwater resources. Consider the potential for violation of ambient water quality standards, drinking water maximum contaminant levels, or degradation of water quality. Identify cumulative effects to water resources.*

The areas proposed for inclusion in the Option to Lease Agreement are generally the flat portions of the two sections. The proposed action would allow site investigation, but no disturbance in areas with surface or groundwater. No significant impacts are anticipated from the proposed action.

#### **6. AIR QUALITY:**

*What pollutants or particulate would be produced? Identify air quality regulations or zones (e.g. Class I air shed) the project would influence. Identify cumulative effects to air quality.*

The proposal would allow limited vehicular travel and geotechnical borings on the Trust land. No significant adverse impacts are anticipated from the proposed action.

#### **7. VEGETATION COVER, QUANTITY AND QUALITY:**

*What changes would the action cause to vegetative communities? Consider rare plants or cover types that would be affected. Identify cumulative effects to vegetation.*

Minimal soil disturbance may occur as a result of the proposed activities. The mitigations will limit the conditions in which vehicular travel will be permitted and then it will only be allowed on established roads or prior approved off-road locations. In addition, any ground disturbing activities, such as geotechnical boring, would require reclamation by the proponent. No significant impacts are expected from implementing the proposed action.

#### **8. TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS:**

*Consider substantial habitat values and use of the area by wildlife, birds or fish. Identify cumulative effects to fish and wildlife.*

A variety of big game (antelope and mule deer), small mammals, raptors and songbirds use this area. The type of work proposed along with the limitations on motorized travel should limit impacts to species using or traversing the Trust land. No significant impacts are expected from implementing the proposed action.

#### **9. UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES:**

*Consider any federally listed threatened or endangered species or habitat identified in the project area. Determine effects to wetlands. Consider Sensitive Species or Species of special concern. Identify cumulative effects to these species and their habitat.*

A proposed project area search of the Montana Natural Heritage Program database identified six vertebrate animals that are listed as a species of concern or threatened species: Greater Sage-Grouse, Pinyon Jay, Spotted Bat, Black-tailed Prairie Dog, Plains Hog-nosed Snake and Western Milksnake.

The proposed action is located within Greater Sage-Grouse general habitat. The proponent contacted with the Montana Sage Grouse Conservation Program and received a consultation letter dated March 2, 2016. The

consultation letter noted that the proposed project was not within two miles of an active sage grouse lek. Besides recommendations for seeding reclaimed areas, the consultation did not identify any conflicts with the Executive Order.

The nature of the proposed action is such that it will cause minimal ground disturbance and limited vehicular access and travel. No significant adverse impacts to unique, endangered or fragile species are expected by implementing the proposed alternative.

#### **10. HISTORICAL AND ARCHAEOLOGICAL SITES:**

*Identify and determine effects to historical, archaeological or paleontological resources.*

The nature of the proposed action is gathering environmental data and the lease option would limit motorized travel to established roads. Previous cultural reviews conducted on this section for other uses have identified some areas of the Trust land that contain cultural resources; however, they are not located near any existing roads where motorized use would be allowed with this proposed action. The proposed action would include a cultural resource inventory of the areas that would be impacted by the potential solar energy development. No significant adverse impacts historical or archaeological sites are anticipated by implementing the proposed action.

#### **11. AESTHETICS:**

*Determine if the project is located on a prominent topographic feature, or may be visible from populated or scenic areas. What level of noise, light or visual change would be produced? Identify cumulative effects to aesthetics.*

The proposed action would allow additional environmental investigation of a potential utility scale solar energy generation project. An additional environmental review would be required to be conducted prior to the execution of a commercial lease. Aesthetics is one area that is expected to receive particular attention due to the proximity of public road/highways and existing large lot residential that adjoin the parcels. However, due to the nature of the current proposed action, aesthetics will not be adversely affected.

#### **12. DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, AIR OR ENERGY:**

*Determine the amount of limited resources the project would require. Identify other activities nearby that the project would affect. Identify cumulative effects to environmental resources.*

No significant impacts to environmental resources of land, water, air or energy are anticipated as a result of implementing the proposed alternative.

#### **13. OTHER ENVIRONMENTAL DOCUMENTS PERTINENT TO THE AREA:**

*List other studies, plans or projects on this tract. Determine cumulative impacts likely to occur as a result of current private, state or federal actions in the analysis area, and from future proposed state actions in the analysis area that are under MEPA review (scoped) or permitting review by any state agency.*

The proposed action being analyzed in this EA is only the execution of an Option to Lease and specific uses permitted in this document. If this Option document is executed, then it will trigger another environmental review that would focus on the specific solar energy development proposal and the commercial lease to permit this use on Trust land.

### **IV. IMPACTS ON THE HUMAN POPULATION**

- *RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.*
- *Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.*
- *Enter "NONE" if no impacts are identified or the resource is not present.*

**14. HUMAN HEALTH AND SAFETY:**

*Identify any health and safety risks posed by the project.*

No significant impacts to human health and safety are anticipated as a result of implementing the proposed alternative.

**15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:**

*Identify how the project would add to or alter these activities.*

No significant impacts to agricultural, industrial or commercial activities are anticipated as a result of implementing the proposed alternative.

**16. QUANTITY AND DISTRIBUTION OF EMPLOYMENT:**

*Estimate the number of jobs the project would create, move or eliminate. Identify cumulative effects to the employment market.*

The implementation of the proposed action is not expected to have a significant impact on employment.

**17. LOCAL AND STATE TAX BASE AND TAX REVENUES:**

*Estimate tax revenue the project would create or eliminate. Identify cumulative effects to taxes and revenue.*

The proposed action is not expected to have a significant impact on the local and state tax base and tax revenues.

**18. DEMAND FOR GOVERNMENT SERVICES:**

*Estimate increases in traffic and changes to traffic patterns. What changes would be needed to fire protection, police, schools, etc.? Identify cumulative effects of this and other projects on government services.*

The implementation of the proposed alternative is not expected to generate an increased demand for government services.

**19. LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS:**

*List State, County, City, USFS, BLM, Tribal, and other zoning or management plans, and identify how they would affect this project.*

Yellowstone County does have an adopted Growth Policy that covers the entire County and the proposed alternative does not conflict with the Growth Policy. Also, the subject sections are located in the Agricultural-Open Space zoning district and the proposed action would not violate the zoning regulations.

**20. ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES:**

*Identify any wilderness or recreational areas nearby or access routes through this tract. Determine the effects of the project on recreational potential within the tract. Identify cumulative effects to recreational and wilderness activities.*

The subject Trust lands do have legal public access from Highway 3 and Shorey Road/Alkali Creek Road. Section 8 is currently restricted to Archery Hunting only (firearm discharge is prohibited). The implementation of the proposed action is not expected to have an adverse effect on the recreation or hunting activity on the subject sections.

**21. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING:**

*Estimate population changes and additional housing the project would require. Identify cumulative effects to population and housing.*

The proposed alternative is not expected to have an adverse effect on density and distribution of population and housing.

**22. SOCIAL STRUCTURES AND MORES:**

*Identify potential disruption of native or traditional lifestyles or communities.*

There are no native, unique or traditional lifestyles or communities in the vicinity that should be impacted by the proposed alternative.

**23. CULTURAL UNIQUENESS AND DIVERSITY:**

*How would the action affect any unique quality of the area?*

The proposed alternative would not directly impact cultural uniqueness or diversity.

**24. OTHER APPROPRIATE SOCIAL AND ECONOMIC CIRCUMSTANCES:**

*Estimate the return to the trust. Include appropriate economic analysis. Identify potential future uses for the analysis area other than existing management. Identify cumulative economic and social effects likely to occur as a result of the proposed action.*

The Common Schools Trust will benefit by getting a Lease Option fee from MTSun, LLC of \$20,250.00/year.

<b>EA Checklist Prepared By:</b>	<b>Name:</b> Jeff Bollman, AICP	<b>Date:</b> 29 June 2016
	<b>Title:</b> Area Planner, Southern Land Office	

**V. FINDING****25. ALTERNATIVE SELECTED:**

The proposed alternative has been selected and it is recommended that an Option to Lease be executed with MTSun, LLC. This Option would permit MTSun, LLC to gather baseline data in the following areas: land use, cultural resources, wildlife, soils, vegetation, wetlands, hydrology/topography/geology, geotechnical and land surveying and would also grant exclusive rights for a commercial lease on the subject sections.

**26. SIGNIFICANCE OF POTENTIAL IMPACTS:**

I conclude all identified potential impacts will be avoided by utilizing the mitigations listed below and no significant impacts will occur as a result of implementing the proposed alternative.

**Mitigations:**

1. Motorized travel on established roads only, unless prior approval from the Southern Land Office is given for off-road travel.
2. No motorized use during wet and/or muddy conditions.
3. Reclamation of any disturbed areas, including those impacted by geotechnical borings.

**27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:**

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EIS

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More Detailed EA

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No Further Analysis

<b>EA Checklist Approved By:</b>	<b>Name:</b> Matthew Wolcott
	<b>Title:</b> Area Manager, Southern Land Office
<b>Signature:</b> /s/ Matthew Wolcott	
<b>Date:</b> June 28, 2016	